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ZNR UUUUU ZZH
R 051729Z SEP 08
FM SECSTATE WASHDC
TO RUEHME/AMEMBASSY MEXICO 0000
INFO RUETIAA/DIRNSA FT GEORGE G MEADE MD 0000
RUEAIIA/CIA WASHINGTON DC 0000
RHMCSSU/FBI WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RUCPDOC/USDOC WASHINGTON DC 0000

UNCLAS STATE 095300

SENSITIVE
SIPDIS
MEXICO CITY FOR FRANK PENIRIAN

E.O. 12958: N/A
TAGS: ETTC KOMC MX
SUBJECT: BLUE LANTERN LEVEL 3: PRE-LICENSE END-USE CHECK
ON LICENSE 050115265

REF: 08 MEXICO 489

¶11. (U) This is an Action Request. See paragraphs 2 - 4.

¶12. (U) The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a pre-license check on license 050115265 for the export of firearms and magazines to Mexico. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶13. (SBU) Reason for Request: Any export of firearms valued at one million dollars or more is required to be notified to Congress. This check is to gather pertinent information for Congressional notification. Also, foreign intermediate consignee, Eduardo Jordan, will receive commissions according to a letter submitted by Bushmaster to PM/DDTC. Previous inquiries (REFTEL) indicate that Mr. Jordan receives roughly \$150 per article for services that include "shipping and freight to the border." Mr. Jordan's role remains unclear.

¶14. (SBU) ACTION: Embassy is requested to confirm the legitimacy of this transactions between the Government of Mexico (GOM) and U.S. company, Bushmaster Firearms International and corroborate the letter of explanation provided by La Policia Federal Preventiva. Post is also requested to determine the exact role foreign intermediate consignee, Eduardo Jordan, plays in this transaction. The following points are included for guidance:

TO REPRESENTATIVE OF THE GOM:

--Can the GOM confirm the order of the firearms listed on this license application?

--Can the representative confirm that the firearms listed below are being purchased to facilitate the expansion of La Policia Federal Preventiva?

TO EDUARDO JORDAN:

--REFTEL states that Mr. Jordan is paid roughly \$150 to \$155 per article for services that "include shipping and freight to the border." Will Mr. Jordan physically transport the defense articles across the United States-Mexico border or does he simply arrange freight forwarding services?

--Does Mr. Jordan ever retain physical possession of the defense articles listed below? If so, at what facilities and what measures are taken to assure the security of these defense articles? What does Mr. Jordan do with the defense articles once received?

--Does Mr. Jordan represent either Bushmaster or any agency of the Government of Mexico in an official capacity? Does Mr. Jordan have a contractual relationship with either?

--Does Mr. Jordan understand the registration and licensing obligations of a broker under part 129 of the International Traffic in Arms Regulation (ITAR)?

In its reply, Post may also comment on any other information pertinent to these transactions such as security of facilities, end-use, and concerns about the entities involved.

15. (U) Details of license applications:

DTC Case: 050115265

QUANTITY/COMMODITY:

5,555 DPMS Panther AP4 Rifles, .308 Caliber

1,010 Bushmaster AR-15 Carbines, .45 Caliber

License Value: USD \$10,092,425

SELLER:

Bushmaster Firearms International LLC
999 Roosevelt Trail
Windham, ME 04062

FOREIGN INTERMEDIATE CONSIGNEE:

Central de Aduanas de Mexico S.A
Donato Guerra 1242 Colonia Sector Aduana CP
Nuevo Laredo Tamaulipas 88000
Mexico

POC: Eduardo Jordan
T: 52-614-488-4218

FOREIGN CONSIGNEE:

Same as End-User

FOREIGN END-USER:

Policea Federal Preventiva
915 Miguel Angel de Quevedo Ave Col el Rosedal Delegacion
Coyoacan
CP 04330 Mexico City, Mexico

Secretaria de la Defensa Nacional Direccion General de
Industria Militar
Av Industria Militar No 1111 Lomas de Tecamachalco
Naucalpan De Juarez, Mexico

PURPOSE:

To be received by the Secretaria de la Defensa Nacional
Direccion General de Industria Militar and sold directly to
La Policea Federal Preventiva.

16. (U) Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts upon request):

Contract No. 089/2008 between Bushmaster and the Government of Mexico signed by Evodio Aquino Maldonado et al.

Final Destination Letter from the Direccion General de
Industria Militar dated 06/20/2008 signed by Evodio Aquino
Maldonado

Four (4) DSP-83s signed by Evodio Aquino Maldonado dated
06/20/2008 and Shannon H. Shuman dated 07/17/2008

End-Use Certificate from the Policea Federal Preventiva

signed by Oswaldo Luna Valderrabano dated 07/21/2008

Import Permit No. 200/2008 signed by Gerardo Ruben Serrano Herrera dated 07/09/2008

Letter of Explanation from Bushmaster pursuant to part 130.10 of the ITAR re: commissions paid to Mr. Eduardo Jordan

Letter of Explanation from Policia Federal Preventiva re: the need for these firearms and fate of any that are displaced, signed by Oswaldo Luna Valderrabano dated 07/07/2008

¶7. (U) Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone: 202-663-1929; Email: BallardKM@state.gov; SIPRNET: BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's E-Book Collection on the DOS Intranet:
<http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520final.pdf>

¶8. (U) Department is grateful for Post's assistance in this matter.

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